



Schibsted ASA (SCHA/SCHB) - Interim Financial Statement Q2 2022

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Strong performance in Marketplaces Norway continued

“Following similar trends as seen during the two previous quarters, revenues in Q2 continued to grow by an underlying¹ 6 per cent while EBITDA ended at NOK 620 million, 17 per cent down from a strong Q2 last year due to continued high investments across the Group,” CEO Kristin Skogen Lund says.

“While these investments come with higher costs, we are confident that they will put us in a better position, securing future growth and increasing value in the longer term. Meanwhile, we are aware that there needs to be an improved balance between investments, costs and profitability going forward, and we have identified and started to implement cost measures having effect from Q3 and onwards,” CEO Kristin Skogen Lund says.

“Nordic Marketplaces grew underlying¹ revenues by 10 per cent in Q2 compared to last year. I am particularly satisfied with the continued strong performance in Marketplaces Norway where revenues grew by 20 per cent compared to last year, translating into a very strong EBITDA margin of 57 per cent and a year-on-year EBITDA growth of 25 per cent. Jobs in Norway continued to be the main growth driver, and also performed well in Sweden. Real estate in Norway was another important growth driver thanks to an increase in the average revenue per ad as a result of our new product offering. Motors, particularly in Denmark and Sweden, continued to be affected by the temporary car supply shortage, and a soft quarter for advertising in Finland led to flat revenue development for our Finnish operations,” CEO Kristin Skogen Lund says.

“Sweden reached an important milestone this quarter with the removal of ad insertion fees for our Generalist C2C offering. While this affects financial results negatively in the shorter term, it has strengthened our market position looking at traffic and not least listings, and will enable the transition to a fully transactional model entailing good growth potential over time. As mentioned in Q1, going forward we will start to work more along the vertical dimension across our four countries to unleash the full potential of our Nordic Marketplaces business. As a first step in this journey, we are currently establishing common Nordic vertical strategies. Over time, this will likely lead to changes in how we organise and run our Nordic Marketplace business,” CEO Kristin Skogen Lund says.

“News Media continued its good revenue trend with an underlying² growth of 6 per cent thanks to a strong quarter for digital subscriptions, and growth in digital advertising. Costs continued to increase year-on-year due to investments in strategic growth initiatives with focus on content, as well as significantly higher paper prices, leading to an EBITDA margin of 9 per cent,” CEO Kristin Skogen Lund says.

“Due to the decline in the e-commerce industry after a longer period of strong growth and the COVID-related bump last year, revenues in eCommerce & Distribution and Prisjakt dropped in the second quarter which affected EBITDA negatively. Given the weak development in the first half of 2022, we have identified cost measures in eCommerce & Distribution to curb EBITDA losses in the second half of this year,” CEO Kristin Skogen Lund says.

“Lendo, which is currently under strategic review, continued its strong revenue performance seen during the last quarters. The underlying² revenue growth was 25 per cent driven by Sweden and Norway, while higher marketing and expansion costs negatively affected EBITDA margin. Ventures saw lower activity in the second quarter,” CEO Kristin Skogen Lund says.

“Lastly, headquarters increased its EBITDA losses in Q2 compared to last year, driven by a higher level of activity within the Group's product and technology team, projects within the Group's Chief Investment Officer function and certain one-offs,” CEO Kristin Skogen Lund says.

This quarter's highlights

- Underlying¹ revenue growth of 6 per cent, EBITDA of NOK 620 million.
- Nordic Marketplaces: 10 per cent underlying¹ revenue growth, primarily driven by the Job vertical. Another strong quarter for Norway with 20 per cent revenue growth and 57 per cent EBITDA margin. Denmark and Sweden were still affected by the temporary car supply shortage. Removal of ad insertion fees for Generalist C2C offering in Sweden at the end of May to enable the transition to a fully transactional model entailing good growth potential over time.
- News Media: Continued good revenue trend continued with 6 per cent underlying² growth thanks to digital subscriptions and digital advertising. High investments in content and higher paper prices resulted in a 9 per cent EBITDA margin.

- eCommerce & Distribution: Weak quarter with a 13 per cent decline in revenues driven by a slowdown in the e-commerce space. Cost measures to curb EBITDA losses going forward to be implemented in Q3.
- Financial Services & Ventures: Continued strong underlying² revenue growth of 25 per cent in Lendo. Lower activity in Ventures, adjusted to market environment and financial gearing.

	Second quarter			Year to date		
	2022	2021	Change	2022	2021	Change
(NOK million)						
Schibsted Group						
Operating revenues	3,880	3,619	7%	7,528	7,019	7%
- of which digital	2,692	2,353	14%	5,150	4,461	15%
EBITDA	620	743	(17%)	1,100	1,338	(18%)
EBITDA margin	16%	21%		15%	19%	

Alternative performance measures used in this release are described and presented in the section Definitions and reconciliations in the quarterly report.

Webcast presentation including Q&A, 15 July 2022 at 09:00 CET

Due to construction works inside and outside of our headquarters in Oslo, Akersgata 55, it will not be possible to attend the presentation in person.

CEO Kristin Skogen Lund and CFO Ragnar Kårhus will present the Q2 results as a live webcast, including a Q&A session. The presentation and following Q&A session will be held in English. The webcast can be viewed live at:

https://channel.royalcast.com/landingpage/hegnarmedia/20220715_2/

For the Q&A, participants can send in written questions via Slido.

Link: <https://www.sli.do/>

Event code: 3007539

It will not be possible to ask questions by phone.

A recording of the presentation will be available on our IR website shortly after the live webcast has ended.

Oslo, 15 July 2022

SCHIBSTED ASA

¹ Foreign exchange neutral basis and including pro-forma revenues for Marketplaces Denmark in Q2 2021

² Foreign exchange neutral basis

Disclosure regulation

This information is subject to the disclosure requirements pursuant to Section 5-12 of the Norwegian Securities Trading Act.

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About Schibsted

Schibsted is a family of digital brands with a strong Nordic position, and more than 5,000 employees. Millions of people enjoy interacting with our companies every day through our online marketplaces such as FINN, Blocket and Oikotie; our media houses including Aftenposten, VG and Aftenbladet; and digital services like Lendo. We also help new promising businesses grow. Our joint mission of empowering people in their daily lives is rooted in the values of our media heritage and a legacy of bold change. At our best, we are a fearless force for change in a society built on trust and transparency.

Schibsted is listed on Oslo Børs and has a sizable investment in Adevinta, a company that was spun off and publicly listed as a separate company on Oslo Børs in 2019.

Attachments

- [Download announcement as PDF.pdf](#)
- [Results presentation Q2 2022.pdf](#)
- [Interim report Q2 2022.pdf](#)
- [Financials and analytical info Q2 2022.pdf](#)